

M/027/007

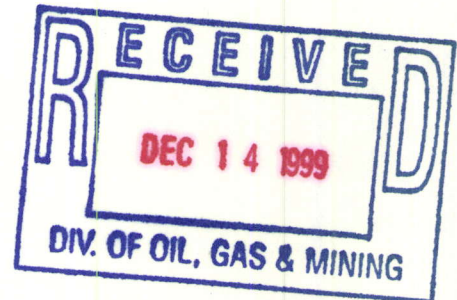
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December 10, 1999



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Mr. D. Wayne Hedberg
Permit Supervisor
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

0013-0022

Re: Drum Mine Site Settlement and Reclamation Agreement

Gentlemen:

After receiving comments from Wayne (including those received by Wayne from Terry Snyder), incorporating them into the final documents, and consulting with Tom Mitchell, I believe that we are now ready to proceed toward final execution and implementation of these agreements.

Enclosed are what I hope to be the final, execution copies of the First Amended Settlement Agreement, plus the attached Reclamation Plan (with all appendices). I am sending three copies of the bound Reclamation Plan to Bruce, so he can keep one for his records, and distribute one each to the State Office and the Fillmore Area Office. I am sending two copies to Wayne, one each for DOGM and DWQ. I am also sending one to Tom Mitchell for his records. If anyone needs extra copies of this document, let me know.

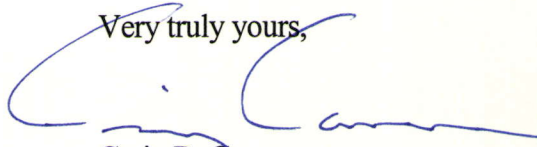
As to the First Amended Settlement Agreement itself, I am sending two copies to Wayne and one to Tom for them to review and confirm that no further changes are warranted. I am sending seven copies to Bruce, with the request that if they pass muster he should obtain BLM signatures on six of them, then forward the signed counterparts to Wayne, so he can obtain signatures of DOGM and DWQ. Wayne can then forward the

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signed copies to Tom, and Tom and I will then arrange to add WSMC's signatures and finalize this whole process.

Thank you for your cooperation throughout this project. It will be gratifying to at last turn this project over to the guys who will actually reclaim the site.

Very truly yours,



Craig R. Carver

Enclosures

cc: w/encl.: Tom Mitchell, Esq.
w/o encl.: Mr. John F. Carmody
Mr. E. M. Gerick